

# U.S. Census Bureau News

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## MANUFACTURING AND TRADE INVENTORIES AND SALES December 2007

**INTENTION TO REVISE:** Revisions to the Wholesale and Retail adjusted and not adjusted monthly estimates for sales and inventories are scheduled for release in March 2008 and April 2008, respectively. Estimates will be revised to reflect the results of the 2006 Annual Wholesale and Annual Retail Trade Surveys. Manufacturing estimates will be revised at a later date. Revisions to the Wholesale data will be reflected in the February 2008 Manufacturing and Trade Inventories and Sales (MTIS) release scheduled for April 14, 2008. Revisions to the Retail data will be reflected in the March 2008 MTIS release scheduled for May 13, 2008.

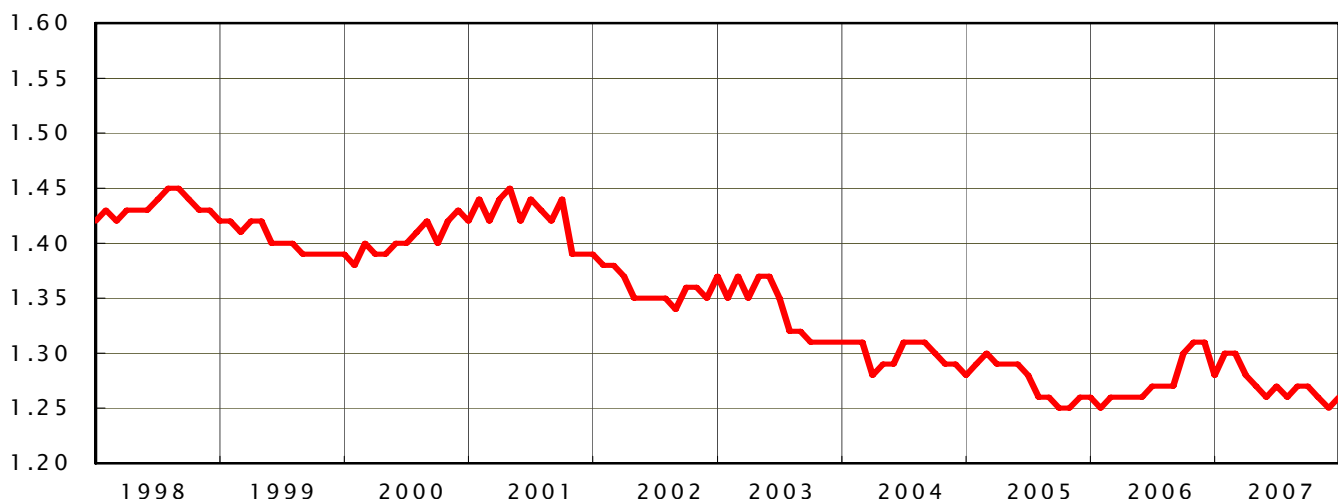
**Sales.** The U.S. Census Bureau announced today that the combined value of distributive trade sales and manufacturers' shipments for December, adjusted for seasonal and trading-day differences but not for price changes, was estimated at \$1,147.3 billion, down 0.5 percent ( $\pm 0.3\%$ ) from November 2007 and up 6.0 percent ( $\pm 0.3\%$ ) from December 2006.

**Inventories.** Manufacturers' and trade inventories, adjusted for seasonal variations but not for price changes, were estimated at an end-of-month level of \$1,444.9 billion, up 0.6 percent ( $\pm 0.1\%$ ) from November 2007 and up 4.0 percent ( $\pm 0.3\%$ ) from December 2006.

**Inventories/Sales Ratio.** The total business inventories/sales ratio based on seasonally adjusted data at the end of December was 1.26. The December 2006 ratio was 1.28.

## Total Business Inventories/Sales Ratios: 1998 to 2007

(Data adjusted for seasonal, holiday and trading-day differences but not for price changes)



The Manufacturing and Trade Inventories and Sales Report for January is scheduled to be released March 13, 2008 at 10:00 a.m. EDT.

For information, visit the Census Bureau's Web site at <<http://www.census.gov/bussales>>. This report is also available the day of issue through the Department of Commerce's STAT-USA (202-482-1986).

\* The 90 percent confidence interval includes zero. The Census Bureau does not have sufficient statistical evidence to conclude that the actual change is different from zero.

**Table 1. Estimated Monthly Sales and Inventories for Manufacturers, Retailers, and Merchant Wholesalers**  
(In millions of dollars)

	Sales			Inventories <sup>1</sup>			Inventories/Sales Ratios		
	Dec. 2007	Nov. 2007	Dec. 2006	Dec. 2007	Nov. 2007	Dec. 2006	Dec. 2007	Nov. 2007	Dec. 2006
	(p)	(r)	(s)	(p)	(r)	(s)			
<b>Adjusted<sup>2</sup></b>									
Total business.....	1,147,301	1,153,249	1,082,192	1,444,886	1,436,585	1,388,739	1.26	1.25	1.28
Manufacturers <sup>3</sup> .....	427,505	428,709	410,506	528,097	524,145	509,902	1.24	1.22	1.24
Retailers.....	343,150	345,270	331,128	505,189	505,512	490,932	1.47	1.46	1.48
Merchant wholesalers.....	376,646	379,270	340,558	411,600	406,928	387,905	1.09	1.07	1.14
<b>Not Adjusted</b>									
Total business.....	1,172,375	1,147,133	1,111,833	1,428,479	1,471,507	1,370,758	1.22	1.28	1.23
Manufacturers <sup>3</sup> .....	415,800	421,566	400,230	514,081	524,923	496,115	1.24	1.25	1.24
Retailers.....	394,454	347,509	384,218	498,691	536,666	484,344	1.26	1.54	1.26
Merchant wholesalers.....	362,121	378,058	327,385	415,707	409,918	390,299	1.15	1.08	1.19

See footnotes and notes at the end of Table 3.

(p) Preliminary.

(r) Revised.

(s) Adjusted data were revised due to concurrent seasonal adjustment. No revisions were made to Not Adjusted data.

**Table 2. Percent Changes for Sales and Inventories — Manufacturers, Retailers, and Merchant Wholesalers**

	Adjusted						Not Adjusted					
	Sales			Inventories			Sales			Inventories		
	Dec. 07/ Nov. 07	Nov. 07/ Oct. 07	Dec. 07/ Dec. 06	Dec. 07/ Nov. 07	Nov. 07/ Oct. 07	Dec. 07/ Dec. 06	Dec. 07/ Nov. 07	Nov. 07/ Oct. 07	Dec. 07/ Dec. 06	Dec. 07/ Nov. 07	Nov. 07/ Oct. 07	Dec. 07/ Dec. 06
Total business.....	-0.5	1.4	6.0	0.6	0.4	4.0	2.2	-2.0	5.4	-2.9	1.0	4.2
Manufacturers.....	-0.3	1.3	4.1	0.8	0.7	3.6	-1.4	-3.5	3.9	-2.1	0.2	3.6
Retailers.....	-0.6	0.9	3.6	-0.1	-0.3	2.9	13.5	3.2	2.7	-7.1	1.6	3.0
Merchant wholesalers..	-0.7	1.9	10.6	1.1	0.8	6.1	-4.2	-4.9	10.6	1.4	1.1	6.5

**Table 3. Estimated Monthly Retail Sales, Inventories, and Inventories/Sales Ratios, By Kind of Business**  
(In millions of dollars)

NAICS Code	Kind of Business	Sales			Inventories <sup>1</sup>			Percent Change In Inventories			Inventories/Sales Ratios		
		Dec. 2007 (p)	Nov. 2007 (r)	Dec. 2006 (s)	Dec. 2007 (p)	Nov. 2007 (r)	Dec. 2006 (s)	Dec. 07/ Nov. 07	Nov. 07/ Oct. 07	Dec. 07/ Dec. 06	Dec. 07	Nov. 07	Dec. 06
	Adjusted <sup>2</sup>												
	Retail trade, total.....	343,150	345,270	331,128	505,189	505,512	490,932	-0.1	-0.3	2.9	1.47	1.46	1.48
	Total (excl. motor veh. & parts).....	266,864	268,146	253,789	346,395	344,060	335,812	0.7	-0.4	3.2	1.30	1.28	1.32
441	Motor vehicle & parts dealers.....	76,286	77,124	77,339	158,794	161,452	155,120	-1.6	0.0	2.4	2.08	2.09	2.01
442,3	Furniture, home furn., elect. & appl. stores.....	19,422	19,823	19,587	33,619	33,794	32,092	-0.5	-0.9	4.8	1.73	1.70	1.64
444	Building materials, garden equip & supplies.....	28,701	29,431	29,466	49,091	48,923	46,989	0.3	0.2	4.5	1.71	1.66	1.59
445	Food & beverage stores.....	48,970	48,731	46,355	36,312	36,271	34,630	0.1	0.1	4.9	0.74	0.74	0.75
448	Clothing & clothing access. stores.....	18,518	18,953	18,455	49,506	49,258	49,674	0.5	-0.1	-0.3	2.67	2.60	2.69
452	General merchandise stores.....	48,833	48,731	47,083	75,742	75,080	75,423	0.9	-1.7	0.4	1.55	1.54	1.60
4521	Dept. str. (excl. leased depts.).....	17,236	17,307	17,653	36,481	36,145	36,924	0.9	-3.3	-1.2	2.12	2.09	2.09
	Not Adjusted												
	Retail trade, total.....	394,454	347,509	384,218	498,691	536,666	484,344	-7.1	1.6	3.0	1.26	1.54	1.26
	Total (excl. motor veh. & parts).....	324,030	278,967	312,713	337,277	373,549	326,684	-9.7	0.6	3.2	1.04	1.34	1.04
441	Motor vehicle & parts dealers.....	70,424	68,542	71,505	161,414	163,117	157,660	-1.0	4.1	2.4	2.29	2.38	2.20
442,3	Furniture, home furn., elect. & appl. stores.....	27,137	22,334	27,503	33,216	38,120	31,739	-12.9	2.7	4.7	1.22	1.71	1.15
444	Building materials, garden equip & supplies.....	24,731	28,760	25,517	47,275	47,357	45,297	-0.2	-1.3	4.4	1.91	1.65	1.78
445	Food & beverage stores.....	53,704	49,073	51,270	37,102	38,338	35,397	-3.2	2.5	4.8	0.69	0.78	0.69
448	Clothing & clothing access. stores.....	31,240	20,877	31,655	45,793	54,135	45,849	-15.4	-0.4	-0.1	1.47	2.59	1.45
452	General merchandise stores.....	71,366	54,182	69,899	71,986	88,336	71,708	-18.5	0.6	0.4	1.01	1.63	1.03
4521	Dept. str. (excl. leased depts.).....	29,610	20,899	30,568	34,256	43,989	34,672	-22.1	-0.7	-1.2	1.16	2.10	1.13

(p) Preliminary.

(r) Revised.

(s) Adjusted data were revised due to concurrent seasonal adjustment. No revisions were made to Not Adjusted data.

<sup>1</sup> Inventories are on a non-LIFO basis as of the end of the month.

<sup>2</sup> Adjusted for seasonal variations and, in the case of sales, for trading-day differences and holiday variations. Concurrent seasonal adjustment is being used to adjust all sales, shipment and inventory estimates. Concurrent seasonal adjustment uses all available unadjusted estimates as input to the X-12-ARIMA program. The factors derived from the program are applied to the current and previous month estimates and for retail and wholesale estimates a year ago as well. For retail sales, concurrent seasonal adjustment is also used to adjust the advance estimates (published one month before the preliminary estimates) and the estimates one year before the advance month. This explains the revision to retail estimates from a year ago.

<sup>3</sup> Manufacturers sales refer to the value of shipments by manufacturers. The shipments data from individual manufacturers are adjusted prior to tabulation for the number of trading days as well as for any variations in the length of the reporting period.

Note: U.S. and group totals include kinds of business not shown. The Manufacturing and Trade Inventory and Sales estimates are based on data from three surveys: the Monthly Retail Trade Survey, the Monthly Wholesale Trade Survey, and the Manufacturers' Shipments, Inventories, and Orders Survey. The sampling variability for retailers and merchant wholesalers can be used to construct a 90 percent confidence interval for the estimates. Over all possible samples, 90 percent of such intervals will cover the true estimate. These intervals are given in parentheses for the estimates on the front page. If, for example, the estimate is up 0.8 percent and the margin of sampling error is  $\pm 1.2$  percent, the 90 percent confidence interval is -0.4 percent to +2.0 percent. If the range contains 0, it is uncertain whether there was an increase or decrease. Measures of reliability for Retail and Wholesale sales and inventory levels and changes are included in the detailed monthly press releases for those industries. Manufacturers do not contribute to estimates of sampling variability because the manufacturer's mail panel is not a probability sample from a known frame and standard errors of the industry estimates cannot be calculated. Estimates from all three surveys are also subject to nonsampling errors, which can arise in any stage of the survey. Such errors include coverage error (failure to accurately represent all population units in the sample) response errors, coding errors, and nonresponse. Although no direct measurement of these errors has been obtained, precautionary steps were taken in all phases of the collection, processing, and tabulation of the data to minimize their influence.